

BS/ELN/WGE/R(97)1

REPORT

OF THE MEETING OF THE

AD HOC WORKING GROUP OF EXPERTS

ON ELECTRICAL NETWORKS

Istanbul, 9-10 December 1997

1. The Meeting of the ad hoc Working Group of Experts (WGE) on Electrical Networks was held on 9-10 December 1997 at the PERMIS in Istanbul.

2. The Meeting was chaired by Igor SMIRNOV, Director of "Energosetproject" Institute, Russian Federation.

3. The Meeting was attended by the following Participating States of the BSEC:

Republic of Armenia Republic of Azerbaijan Georgia Hellenic Republic Romania Russian Federation Republic of Turkey Ukraine

4. The Meeting was also attended by the representative of the UN Economic Commission for Europe as a guest.

The list of participants of the Meeting is attached as Annex I.

5. The WGE discussed and adopted the draft agenda of the Meeting. The agenda, as adopted, is attached as Annex II.

CONSIDERATION OF THE ISSUES PERTAINING TO THE MEMORANDUM ON COOPERATION IN THE FIELD OF ELECTRIC POWER INDUSTRY

6. The WGE reviewed the state of affairs relating to the Memorandum(signed on 30 September 1996 in Moscow), took note of the amendments proposed by the Republic of Turkey, supported by Romania and agreed to incorporate them into the text of the Memorandum as drafted by the Russian Federation.

7. The Armenian Delegation referred to the draft agendas of the meeting of the WG on Energy to be held at the level of Deputy Ministers and the Meeting of Ministers of Energy of the BSEC countries which the Republic of Armenia had proposed to convene in Yerevan, and expressed the opinion that the signing of the amended Memorandum could be done in one of these meetings.

8. It was agreed that the preparation of the feasibility study for interconnecting the electric power grids in the BSEC countries be viewed as part of their efforts towards building a single European Power System.

IMPLEMENTATION OF THE MEMORANDUM - ORGANISATION AND PLAN OF WORK ON THE PROJECT FOR INTERCONNECTING ELECTRIC POWER GRIDS IN THE BSEC REGION

9. The WGE, noting that a good deal of work had been done on this score by the BSEC countries since 1995, concluded however that the pace of progress in the implementation of the decisions taken and the activities agreed upon needed to be accelerated.

10. The WGE, after extensive deliberations regarding the preparation of the feasibility study and possible approaches to its implementation and financing while taking into account the available experience relating to the preparation of similar studies for interconnection of electric power grids, concluded that the immediate task should be preparation of a detailed Terms of Reference for the feasibility study.

11. It was suggested that the Russian Institute "Energosetproject", which prepared the Concept of the Interconnection of the Electric Power Grids of the BSEC countries, undertake the preparation of the Terms of Reference with the assistance of the Greek Delegation. Both Delegations expressed their readiness to fulfill this vision as rapidly as possible.

It was a shared observation that having such Terms of Reference would make it possible to estimate the cost of the preparation of the study as well as facilitate the search for financial assistance from possible donors.

While the WGE agreed that the possibilities of mobilizing financial resources 12. needed for the feasibility study from the Participating Countries should also be studied, it recommended that the Participating States and the PERMIS continue exploring possible financial assistance from non-BSEC sources.

13. The experts stressed the need for activation of pursuing these matters and ensuring implementation without delay of the agreed activities aiming at the realization of the project, requested the competent authorities of the Participating States to designate National Coordinators for the project by 15 January 1998.

INFORMATION OF THE DELEGATION OF THE REPUBLIC OF ARMENIA **REGARDING THE HOSTING OF THE MEETINGS ON ENERGY AT THE** LEVEL OF DEPUTY MINISTERS AND MINISTERS

The participants of the Meeting supported the proposal of Armenia to hold the 14. Meeting of the BSEC WG on Energy at the Deputy Ministers level at the end of January beginning of February 1998 in Yerevan, particularly pointing out its importance for finalizing the necessary documents for the Meeting of the Ministers of Energy of the BSEC Participating States to be held in March 1998 in Yerevan.

COOPERATION WITH THE UN ECE AD HOC GROUP OF EXPERTS ON ELECTRICITY INTERCONNECTION IN EUROPE AND THE BLACK SEA **REGIONAL ENERGY CENTER (BSREC)**

15. The representative of the Energy Division of the UN/ECE Secretariat informed the WGE on the Terms of Reference of the ad hoc Group of Experts on the Extension of European Electricity Interconnection which had been set up by he ECE Committee on Sustainable Energy (in November 1997) to coordinate, under its guidance and in cooperation with sub-regional organizations, the activities on this subject.

The WGE emphasized the importance of cooperation with this Group of Experts 16. and expressed the view that a necessary coordination of activities with the ECE Secretariat should be provided through the PERMIS.

17. The WGE, informed of the activities relating to the interconnection of energy networks in the Balkan region carried out under the aegis of the Black Sea Regional Energy Center, supported by the EC, recommended that the PERMIS and BSREC should establish close and lasting cooperation which will help development of interconnecting electric power grids.

ANY OTHER BUSINESS

18. The attention of the participating delegations was drawn to the situation with regard to a study on energy in the BSEC region being prepared jointly with the ECE.

The study, along with looking at the state of energy in the BSEC region will also cover an in-depth analysis revealing opportunities for intra-regional cooperation and future prospects within the BSEC and beyond. With these in mind, the WGE appealed once more the competent authorities of the Participating States to expedite the submission of the required data to get the study underway.

19. The delegations presented information on the latest developments in the electric power sectors of their countries, with particular emphasis on the issues of interconnection of their power grids.

EXPRESSION OF THANKS

20. The participants expressed their sincere thanks to the BSEC PERMIS for the excellent organization of the Meeting.

ADOPTION OF THE REPORT

21. The ad hoc WGE adopted the present Report for submission to the next meeting of the BSEC Working Group on Energy.